

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (hereinafter referred to as "Agreement"), entered into by and between the **Tippecanoe County Clerk** (hereinafter referred to as "Clerk") and **Capital Recovery Systems, Inc.** (hereinafter referred to as "Contractor"), is executed pursuant to the terms and conditions set forth herein. In consideration of those mutual undertakings and covenants, the parties agree as follows:

SECTION I. INTERPRETATION AND INTENT

- 1.01 The "Agreement", as referred to herein, shall mean this Agreement executed by Clerk and Contractor, and shall include these Terms and Conditions, the Attachments described herein and attached hereto, and any written supplemental agreement or modification entered into between Clerk and Contractor, in writing, after the date of this Agreement.
- 1.02 This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, written or verbal, between Clerk and Contractor. No statements, promises or agreements whatsoever, in writing or verbal, in conflict with the terms of the Agreement have been made by Clerk or Contractor which in any way modify, vary, alter, enlarge or invalidate any of the provisions and obligations herein stated. This Agreement may be amended and modified only in writing signed by both Clerk and Contractor.
- 1.03 In resolving conflicts, errors, discrepancies and disputes concerning the scope of the work or services to be performed by Contractor or other rights or obligations of Clerk or Contractor the document or provision thereof expressing the greater quantity, quality or scope of service or imposing the greater obligation upon Contractor and affording the greater right or remedy to Clerk, shall govern.
- 1.04 Any interpretation applied to this Agreement, by the parties hereto, by an arbitrator, court of law, or by any other third party, shall not be made against Clerk solely by virtue of Clerk or Clerk's representatives having drafted all or any portion of this Agreement.
- 1.05 This Agreement shall include, and incorporate by reference, any provision, covenant or condition required or provided by law or by regulation of any state or federal regulatory or funding agency.
- 1.06 This Agreement shall be construed under and governed by the laws of the State of Indiana.

SECTION II. DUTIES OF CONTRACTOR

- 2.01 The Contractor shall provide the services described in Attachment A, which is attached hereto and made a part hereof.

SECTION III. TERM

- 3.01 This Agreement shall be for a period of one year from the date of full execution by both parties, and shall renew automatically unless written notice is sent by either party terminating the agreement. All other terms and conditions of the agreement shall be as set forth herein, and may be amended only by written instrument signed by both Clerk and Contractor and attached hereto as an amendment.

SECTION IV. COMPENSATION

- 4.01 Contractor shall be compensated for services rendered under the Agreement. Payment will be in conformance with Attachment B to this Agreement.
- 4.02 Contractor shall submit a properly itemized invoice for services performed and expenses incurred under this Agreement and shall cooperate with and provide any other necessary information to Clerk. Clerk shall pay Contractor within thirty days after receipt of such properly itemized claim forms.

SECTION V. GENERAL PROVISIONS

- 5.01 Independent Contractor. The parties agree that Contractor is an independent contractor as that term is commonly used and is not an employee of Tippecanoe County. As such, Contractor is solely responsible for all taxes and none shall be withheld from the sums paid to Contractor. Contractor acknowledges that it is not insured in any manner by the Clerk for any loss of any kind whatsoever. The Contractor has no authority, express or implied, to bind or obligate the Clerk in any way.
- 5.02 Subcontracting. The parties agree that Contractor shall not subcontract, assign or delegate any portion of this Agreement or the services to be performed hereunder without prior written approval of Clerk. In the event that Clerk approve of any such subcontracting, assignment or delegation, Contractor shall remain solely responsible for managing, directing and paying the person or persons to whom such responsibilities or obligations are sublet, assigned or delegated. Clerk shall have no obligation whatsoever toward such persons. Contractor shall take sole responsibility for the quality and quantity of any services rendered by such persons. Any consent given in accordance with this provision shall not be construed to relieve Contractor of any responsibility for performing under this Agreement.
- 5.03 Necessary Documentation. Contractor certifies that it will furnish the Clerk, if requested, any and all documentation, certification, authorization, license, permit, or registration required by the laws or rules and regulations of the County of Tippecanoe, other units of local government, the State of Indiana, and the United States. Contractor further certifies that it is now in and will maintain its good standing with such governmental agencies and that it is now and will maintain its license, permit, registration, authorization, or certification, as applicable, in force during the term of this Agreement. Failure of the Contractor to comply with this paragraph shall constitute a material breach of this Agreement.
- 5.04 Confidentiality of Clerk Information.

- 5.04.1 Contractor understands that the information provided to it or obtained from Clerk during the performance of its services is confidential and may not, without prior written consent of the Clerk, be disclosed to a person not in the Clerk's employ except to employees or agents of Contractor who have a need to know in order to provide the services. Further, Contractor's Work Product generated during the performance of this Agreement is confidential to Clerk. The failure to comply in all material respects with this section shall be considered a material breach of this Agreement. The obligations of this section shall survive the termination of this Agreement and shall be applicable to the full extent permissible under statutes governing access to public records. Confidential information shall not include information, that: (a) was known by Contractor at the time it was received; (b) is, as of the time of its disclosure or thereafter becomes, part of the public domain through a source other than Contractor; (c) is made known to Contractor by a third person who does not impose any obligation of confidence on Contractor with respect to such information; (d) is required to be disclosed pursuant to governmental authority, law, regulation, duly authorized subpoena or court order whereupon Contractor shall provide notice to the Clerk prior to such disclosure; or (e) information that is independently developed by Contractor without references to the confidential information.
- 5.04.2 Contractor shall not, under any circumstances, release information provided to it by, or on behalf of, the Clerk that is required to be kept confidential by Clerk pursuant to Indiana law except as contemplated by this section, clause (d).
- 5.05 Records; Audit. Contractor shall maintain books, records, documents and other evidence directly pertinent to performance of services under this Agreement. Contractor shall make such materials available at its offices at all reasonable times during the Agreement period and for three (3) years from the date of final payment under this Agreement for inspection by the Clerk or any other authorized representative of the Tippecanoe County, Indiana. Copies thereof, if requested, shall be furnished at no cost to the Clerk.
- 5.06 Ownership of Documents and Materials.
- 5.06.1 All documents, including records, programs, data, film, tape, articles, memos, and other materials, created or developed under this Agreement, shall be considered "work for hire" and the Contractor transfers any ownership claim to the Clerk and all such matters will be the property of the Clerk. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the Clerk, is prohibited. During the performance of the services specified herein, the Contractor shall be responsible for any loss or damage to these materials developed for or supplied by the Clerk and used to develop or assist in the services provided herein while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. Full, immediate, and unrestricted access to the work product of the Contractor during the term of this Agreement shall be available to the Clerk. Notwithstanding the foregoing, Contractor shall be entitled to retain a set of its work papers in accordance with professional standards.
- 5.06.2 Notwithstanding anything to the contrary contained in this Agreement, it is understood and agreed that Contractor shall retain all of its rights in its proprietary

information including, without limitation, its methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge and experience possessed by Contractor prior to, or acquired by Contractor during, the performance of this Agreement and the same shall not be deemed to be Work Product or Work For Hire and Contractor shall not be restricted in anyway with respect thereto.

5.07 Insurance.

5.07.1 Contractor shall, as a condition precedent to this Agreement, purchase and thereafter maintain such insurance as will protect it and Clerk from the claims set forth below which may arise out of or result from Contractor's operations under this Agreement, whether such operations be by Contractor or by its subcontractors or by anyone directly or indirectly employed by any of them, or by anyone directly for whose acts any of them may be liable:

- 1) Claims under Worker's Compensation and Occupational Disease Acts, and any other employee benefits acts applicable to the performance of the work;
- 2) Claims for damages because of bodily injury and personal injury, including death, and;
- 3) Claims for damages to property.

Contractor's insurance shall be not less than the amounts shown below:

A.	Worker's Compensation & Disability	Statutory
B.	Employer's Liability Bodily Injury Accident	\$ 100,000 each accident
	Bodily Injury by Disease	\$ 500,000 policy limit
	Bodily Injury by Disease	\$ 100,000 each employee
C.	Excess Auto Liability	\$1,000,000 (single limit) (owned, hired & non-owned)
	Bodily injury & property damage	\$1,000,000 each accident
D.	Umbrella Excess Liability	\$1,000,000 each occurrence and aggregate

5.07.2 With the prior approval of Clerk, Contractor may substitute different types of coverage for those specified as long as the total amount of required protection is not reduced. Contractor shall be responsible for all deductibles.

5.07.3 Notwithstanding any other provision of this Agreement, Contractor shall provide all insurance coverage required the documents provided by Clerk.

5.08 Termination for Cause or Convenience.

- 5.08.1 If Contractor becomes insolvent, or if it refuses or fails to perform the work and services provided by this Agreement, or if it refuses to perform disputed work or services as directed pending resolution of such dispute, or if it fails to make payments to subcontractors or consultants employed by it, or if it otherwise violates or fails to perform any term, covenant or provision of this Agreement, then Clerk may, without prejudice to any other right or remedy, terminate this Agreement in whole or in part, in writing, provided that Contractor shall be given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of Clerk's intent to terminate, and (2) an opportunity for consultation with Clerk prior to termination. In determining the amount of final payment to be made to Contractor upon such termination for default, if any, no amount shall be allowed for anticipated profit on unperformed services or other work; furthermore, an adjustment shall be made to the extent of any additional costs incurred or reasonably foreseen by Clerk to be incurred by reason of Contractor's default.
- 5.08.2 This Agreement may be terminated in whole or in part in writing by Clerk for Clerk's convenience; provided that Contractor is given (1) not less than ten (10) calendar days written notice (delivered certified mail, return receipt requested) of intent to terminate and (2) an opportunity for consultation with Clerk prior to termination. If termination for convenience is effected by Clerk, Contractor's compensation shall be equitably adjusted.
- 5.08.3 Upon receipt of a termination action for default or for the Clerk's convenience, Contractor shall (1) promptly discontinue all services affected, unless the termination notice directs otherwise, and (2) deliver or otherwise make available to Clerk all data, drawings, specifications, reports, estimates, summaries, and such other information, materials or documents as may have been accumulated by Contractor in performing this Agreement, whether completed or in process.
- 5.08.4 If, after termination for Contractor's default, it is determined that Contractor was not in default, the termination shall be deemed to have been effected for the convenience of Clerk. In such event, adjustment of the price provided for in this Agreement shall be made as provided in Paragraph 5.08.2 and the recovery of such price adjustment shall be Contractor's sole remedy and recovery.
- 5.08.5 This Agreement may be terminated by Contractor only in whole and only upon thirty (30) days written notice to Clerk. Termination by Contractor shall not be effective if Clerk finds that such termination prejudices Clerk.
- 5.09 Termination for Failure of Funding. Notwithstanding any other provision of this Agreement, if funds for the continued fulfillment of this Agreement by Clerk are at any time insufficient or not forthcoming through failure of any entity to appropriate funds or otherwise, then Clerk shall have the right to terminate this Agreement without penalty by giving written notice documenting the lack of funding, in which instance unless otherwise agreed to by the parties, this Agreement shall terminate and become null and void on the last day of the fiscal period for which appropriations were received. Clerk agree that it will make its best efforts to obtain sufficient funds, including, but not limited to, requesting in its budget for each fiscal period during the term hereof sufficient funds to meet its obligations hereunder in full.

- 5.10 **Indemnification.** Contractor agrees to indemnify, defend, and hold harmless the Clerk and Tippecanoe County and its officers, agents, officials and employees for any and all third party claims, actions, causes of action, judgments and liens to the extent they arise out of any negligent or wrongful act or omission by Contractor or any of its officers, agents, employees or subcontractors, regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder. Such indemnity shall include attorney's fees and all costs and other expenses arising therefrom or incurred in connection therewith and shall not be limited by reason of the enumeration of any insurance coverage required herein. The Clerk shall not provide such indemnification to the Contractor, provided, however, that the Contractor shall be relieved of its indemnification obligation to the extent any injury, damage, death or loss is attributable to the acts or omission of the Clerk.
- 5.11 **Notice.** Any notice, invoice, order or other correspondence required to be sent under this Agreement shall be sent to:

To Contractor:

**Craig Klein, President
Capital Recovery Systems, Inc.
750 Cross Pointe Road, Suite S
Columbus, Ohio 43230**

To Clerk:

**Julie Roush
Tippecanoe County Clerk
Courthouse 2nd Floor
Lafayette, IN 47902**

- 5.12 **Non-discrimination.** Contractor and its subcontractors shall not discriminate against any employee or applicant for employment to be employed in the performance of this Agreement, with respect to her or his hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of her or his race, religion, color, sex, handicap, disability, national origin, ancestry, disabled veteran status, or Vietnam-era veteran status. Breach of this section shall be regarded as a material breach of this Agreement.
- 5.13 **Conflict of Interest.** Contractor certifies and warrants to Clerk that neither it nor any of its agents, representatives or employees who will participate in the performance of any services required by this Agreement has or will have any conflict of interest, direct or indirect, with Clerk.
- 5.14 **Non-contingent Fees.** Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees. For breach or violation of this warranty Clerk shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
- 5.15 **Force Majeure.** In the event that either party is unable to perform any of its obligations under this Agreement – or to enjoy any of its benefits – because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as Force Majeure Event), the party who has been so affected shall immediately give notice to the other and shall take commercially reasonable actions to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended except for payment obligations with respect to service already

provided. If the period of nonperformance exceeds sixty (60) days from the receipt of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Agreement.


- 5.16 Applicable Laws; Forum. The Contractor agrees to comply with all applicable federal, state and local laws, rules, regulations or ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. This includes the Federal Civil Rights Act of 1964 and, if applicable, the Drug-Free Workplace Act of 1988. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Agreement shall be reviewed by the Clerk and the Contractor to determine whether the provisions of the Agreement require formal modification.

This Agreement shall be construed in accordance with the laws of the State of Indiana, and by all applicable Municipal Ordinances or Codes of Tippecanoe County. Suit, if any, shall be brought in the State of Indiana, Tippecanoe County.

- 5.17 Waiver. The Clerk's delay or inaction in pursuing its remedies set forth in this Agreement, or available by law, shall not operate as a waiver of any of the Clerk's rights or remedies.
- 5.18 Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the provision shall be stricken, and all other provisions of this Agreement which can operate independently of such stricken provisions shall continue in full force and effect.
- 5.19 Attorneys' Fees. Contractor shall be liable to the Clerk for reasonable attorneys' fees incurred by Clerk in connection with the collection or attempt to collect, any damages arising from the negligent or wrongful act or omission of Contractor, or from Contractor's failure to fulfill any provisions or responsibility provided herein.
- 5.20 Successors and Assigns. Clerk and Contractor each binds itself and its partners, successors, executors, administrators and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement; except as otherwise provided herein, Contractor shall not assign, sublet or transfer its interest in this Agreement without the written consent of Clerk. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of Clerk.
- 5.21 Authority to Bind Contractor. Notwithstanding anything in this Agreement to the contrary, the signatory for the Contractor represents that he/she has been duly authorized to execute agreements on behalf of the Contractor designated above, has filed proof of such authority with Clerk and has obtained all necessary or applicable approval from the home office of the Contractor to make this Agreement fully binding upon the Contractor when his/her signature is affixed and accepted by the Clerk.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates subscribed below.

Contractor

By:  Date: 1/21/2020
Printed: Dennis Johnson
Title: Vice President

Tippecanoe County Clerk

By: _____ Date: _____

ATTACHMENT A

This document is "Attachment A" to the Services Agreement (hereinafter referred to as "Agreement"), entered into by and between the **Tippecanoe County Clerk** (hereinafter referred to as "Clerk") and **Capital Recovery Systems, Inc.** (hereinafter referred to as "Contractor").

SCOPE OF SERVICES

Contractor shall conduct any and all collection work assigned by Clerk. Both parties recognize that the appointment is personal and particular in nature and does not extend to any collection agency or firm that Contractor is associated with or is a partner of.

Clerk executes this Agreement upon Contractor's representation of itself as expert in debt collection services provided to governmental entities and familiarity with Federal and Indiana law governing debt collection, and retains Contractor to provide services to Clerk relating to the collection of public moneys due and payable to Clerk. All services shall be rendered in accordance with the terms and conditions of the Agreement and applicable law.

If Contractor discontinues services on any case or matter, Contractor shall effectuate a speedy and efficient transfer of work and cooperate with Clerk. Contractor agrees to protect Clerk's interest in any transfer of work. Clerk may withhold payment to Contractor if Contractor fails to transfer files, documents and materials when so requested by Clerk.

Contractor agrees that all operations by Contractor in performing this agreement shall be in complete compliance with all federal, state and local constitutions, charters, statutes, ordinances, rules and regulations of whatever nature. Neither Contractor, nor its officials, nor its partners, nor its associates, nor its employees shall receive gratuities from any source for services performed on behalf of Clerk.

Contractor shall fully comply with all applicable requirements and limitations imposed under the Fair Debt Collection Practices Act (FDCPA), the Fair Credit Reporting Act (FCRA), and the United States Bankruptcy Code as they pertain to Contractor performing this agreement.

At the request of Clerk, Contractor shall submit status reports on each claim. The status report shall describe the current status on each claim, the date the claim was placed, the amount of moneys collected on the claim, and the claim, case or account number assigned by Clerk.

Neither Contractor, nor its officials, nor its partners, nor its associates, nor its employees shall speak to any representative of a television station, radio station, newspaper, magazine or any other media outlet concerning the work outlined in this agreement without first obtaining approval of the Clerk. Contractor shall not speak on behalf of Clerk to any member of the news media.

ATTACHMENT B

This document is "Attachment B" to the Services Agreement (hereinafter referred to as "Agreement"), entered into by and between the **Tippecanoe County Clerk** (hereinafter referred to as "Clerk") and **Capital Recovery Systems, Inc.** (hereinafter referred to as "Contractor").

Fees

Contractor shall be compensated only in accordance with the express written provisions of this Agreement out of moneys collected by Contractor for Clerk. Contractor shall not be compensated by any other party, shall not look to general fund moneys of Clerk other than moneys paid over to Clerk and identified for payment of Contractor earned under this agreement. Contractor shall not be compensated in excess of the amount described in this Agreement.

Contractor shall be compensated for services through payment of a fee from funds collected by Contractor on each specific claim, in an amount approved by Clerk. Clerk shall add a thirty percent (30%) collection fee, as provided by Indiana Code § 5-22-6.5-3 to each claim assigned for collection. The parties agree that the Client is relying on Contractor's representation that this fee agreement, the assessment of collection fees against debtors, and the obligations it imposes or purports to impose on debtors is legally authorized and does not violate the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, or other state or federal law at the time of contract signing. Contractor agrees to alert the Clerk of any substantial changes to State or Federal law affecting the assessment of collection fees to court claims, and to propose an amendment to this contract to account for said changes as needed. This collection fee shall be the only money Contractor may commission on. The Clerk shall not pay these fees to Contractor until all other moneys plus the collection fee are collected on any specific case or claim.

Contractor shall notify Clerk daily of any moneys collected and to what case or claim Contractor has applied those moneys.

ATTACHMENT C

The attached and foregoing agreement between Tippecanoe County, in the State of Indiana (County) and Capital Recovery Systems, Inc., (Contractor) is amended to incorporate by reference the following terms and conditions. Any provisions in the attached agreement which may be inconsistent with the following provisions shall be ineffective to the extent of any such inconsistency.

E-Verify Employment Eligibility Verification – In accordance with IC 22-5-1.7, if Contractor has any employees or subcontractors, and the E-Verify program as defined in IC 22-5-1.7-3 is in existence, Contractor shall enroll in and verify the work eligibility status for all of Contractor's newly hired employees through the E-Verify program. Contractor shall not knowingly employ or contract with an unauthorized alien, nor shall Contractor retain an employee or contract with a person that Contractor learns is an unauthorized alien.

Contractor shall:

1. Sign and deliver to County a sworn affidavit that affirms that the Contractor has enrolled and is participating in the E-Verify program;
2. Provide documentation to County substantiating that Contractor has enrolled and is participating in the E-Verify program; and
3. Sign and deliver to County an affidavit affirming that Contractor does not knowingly employ an unauthorized alien.

Contractor shall require all subcontractors, who perform work under this contract, to certify to Contractor in a manner consistent with federal law that the subcontractor, at the time of certification, does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. Contractor agrees to maintain this certification throughout the duration of the term of each subcontract.

County may terminate the contract immediately if Contractor fails to cure a breach of this provision no later than thirty (3) days after being notified thereof by County or another state agency or political subdivision. In accordance with IC 22-5-1.7, any challenge by Contractor to a termination pursuant to this provision must be made in Tippecanoe County Superior or Circuit Court not later than twenty (20) days after Contractor receives notice of such termination.

Tippecanoe County Clerk

By: _____

Date: _____

CAPITAL RECOVERY SYSTEMS, INC.:

By: _____



Dennis Johnson, Vice President
Printed Name, Title